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Advancing a Sustainable Economy

ORIGINAL

December 8, 2011

Arizona Corporation Commission
 Commissioners Wing
 1200 West Washington
 Phoenix, AZ 85007-2996

DOCKETED

DEC - 9 2011

Attention:

Chairman Gary Pierce
 Commissioner Brenda Burns
 Commissioner Sandra Kennedy
 Commissioner Paul Newman
 Commissioner Bob Stump

AZ CORP COMMISSION
DOCKET CONTROL

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RECEIVED

Re: APS's 2012 REST Implementation Plan
Docket No. E-01345A-11-0264

Dear Chairman Pierce and Commissioners:

The Green Chamber of Greater Phoenix (the "Green Chamber") is a business network committed to supporting green businesses and sustainable economic development in the Greater Phoenix metropolitan area. By supporting individuals and businesses committed to generating sustainable ideas and jobs, we help create new opportunities that fuel a sustainable economic and social engine for our region. The Green Chamber's members include companies involved in all aspects of the local renewable energy industry including manufacturers, distributed energy developers, utility-scale developers, utilities, investors, financiers, and many more.

We are writing this letter to express support for Staff's Option A as a very reasonable compromise between the interests of ratepayers and the local renewable energy industry. The Green Chamber believes that, while far from ideal for the local solar industry, Option A will provide the minimum level of support necessary to keep the various sectors of Arizona's solar industry growing and creating jobs. Arizona has clearly decided to pursue a local solar industry and, led primarily by the Commission, has already started to invest in this vision. It would be highly inefficient to reduce funding for any specific sector to a level that destroys momentum gained over the last few years and risks the loss of expertise and capital that will be needed here in the future.

As expressed by many other parties in this proceeding, Option A is going to create some economic difficulties for certain local businesses involved in the renewable energy industry. However, the Green Chamber recognizes that the Commission has an obligation to protect Arizona ratepayers while pursuing a more sustainable electric industry. We also recognize that APS's recent rate of renewable energy installations has exceeded its legal obligations as defined in the REST Rules and prior decisions of the Commission, including Decision No. 71448 (approving the 2009 Settlement Agreement).

While the Green Chamber would strongly support more ambitious renewable portfolio requirements as economic development tools that would help enshrine Arizona's leadership in a key industry of the future, we realize that the Commission's jurisdiction is not primarily economic in nature, even though all of the Commissioners, no doubt, favor economic growth and recognize the solar industry's importance to that goal.

Under the existing facts, if the Commission decides to reduce the rate of renewable energy installations to the minimum required by law by its regulated utilities, the Green Chamber strongly urges that it do so gradually rather than trying to do it as quickly as possible. As pointed out by Staff, completely eliminating funding for non-residential PBI systems for even one year could seriously damage Arizona's diverse and rapidly growing non-residential PV industry. As stated above, we support Option A as a compromise between ratepayers and industry and urge the Commission to make any corrections in course as gradually as possible for the sake of Arizona's promising but still fragile renewable energy industry.

In conclusion, the Green Chamber is grateful for the Commission's leadership in creating a vibrant renewable energy industry in Arizona and commends Staff for its diligent and thoughtful work in this proceeding. We look forward to working with Commission and Staff in the future in the interests of our members.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Grossman". The signature is fluid and cursive, with a long horizontal stroke at the end.

Michael Grossman
Chairman of the Board
The Green Chamber of Greater Phoenix